

February 10, 2006

PacifiCorp 825 NE Multnomah Street Portland, OR 97232

Attention: Contract Administration

Power Purchase Agreement Between Desert Power, L.P. and Re:

PacifiCorp entered into as of September 24, 2004; Notice of

Force Majeure

Dear Sir/Madam:

Pursuant to Section 13 of the above-referenced Agreement, Desert Power, L.P. hereby gives notice of an event of Force Majeure. The event giving rise to this notice is the delay in the issuance of the Facilities Study by PacifiCorp Transmission. Desert Power was notified by PacifiCorp Transmission on Friday, February 3, 2006, that the Study originally contemplated for issuance by January 31, 2006 would be postponed another month.

The result is that Desert Power cannot undertake those measures necessary to interconnect its facilities, to undertake start-up and testing, and to achieve its Commercial Operations Date, as defined. The total impact on schedule is not currently ascertainable because the lead times on delivery of items that may be required by such study is unknown. Indeed, these uncertainties have impaired Desert Power's ability to close its permanent financing commitment.

Desert Power is and remains committed to the earliest Commercial Operations Date achievable and to working with PacifiCorp in a cooperative manner to achieve satisfaction of all requirements to achieve commercial operations.

Should you have any questions, I may be reached at 713-572-2244.

Very truly yours,

Charles M. Darling, IV

President & General Manager

cc:

Bruce Griswold

Larry Soderquist

Dean Brockbank, Esq.

Edward Hunter, Esq.

Utah Public Service Commission

Stephen Mecham, Esq.

Roger Swenson

02/10/2006 17:28 FAX 713 572 2255

DQ HOLDINGS LLC

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